

GDOT

Georgia Department of Transportation

INVOICE PROCEDURES

Section 5311

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FTA Oversight and Reporting



- **Oversight Definition:**
 - Continuous review and evaluation of grantee and FTA processes to ensure compliance with statutory, administrative, and regulatory requirements.
- **Oversight Goal:**
 - Projects provide their promised benefits: are safe, can be properly maintained, delivered on time, within budget and in compliance with all applicable Federal requirements.

The Monthly Invoice Process

- GDOT has developed a new monthly invoicing process that will:
 - Meet FTA subrecipient oversight requirements
 - Simplify the invoice review process for GDOT staff
 - Allow for timely processing of invoices and payments to subrecipients



The Monthly Invoice Process

- **Effective with July FY19 invoice submission**



Accounting Requirements

- All subrecipients are required to establish and maintain an accounting system to which all transportation-related costs, revenues, and operating costs are recorded so that they may be clearly identified, easily traced and substantially documented. The fully allocated cost of the public transit program must be clearly identified regardless of the operational nature of the agency.

- Setting Up Your Financial Books and Accounting System
 - Organize your operating and capital expenses and revenues into a formal set of “accounts”
 - Enter the system’s expenses and revenues into the proper accounts
 - Use commonly accepted accounting policies and procedures

Accounting

- The subrecipients accounting system must be able to segregate the Section 5311 program from all other agency programs.
- The subrecipients accounting system must be capable of generating revenue and expense reports specific to the Section 5311 program.

Accounting Refresher

- Both 2 CFR part 225 (formerly OMB Circular A-87), Cost Principles for State, Local, and Indian Tribal Governments, and 2 CFR part 230 (formerly OMB Circular A-122), Cost Principles for Nonprofit Organizations, indicate that reports reflecting the distribution of activity of each employee must be maintained of all staff members whose compensation is charged, in whole or in part, directly to (a grant) award.

Accounting Refresher

- The use of percentage time allocations of staff in their charges of time is not permissible under the cost principles of either local government or nonprofit organizations.

Accounting Refresher

- Time charged to the Section 5311 program must:
 - Reflect after-the-fact determination of actual activity;
 - Account for the total activity of the employee;
 - Be signed by the individual employee; and
 - Be prepared at least monthly and coincide with one or more pay periods.

Accounting Refresher

- Indirect costs are those: (a) incurred for a common or joint purpose benefiting more than one cost objective, and (b) not readily assignable to the cost objectives specifically benefitted, without effort disproportionate to the results achieved. The term "indirect costs," applies to costs of this type originating in the grantee department, as well as those incurred by other departments in supplying goods, services, and facilities.

Accounting Refresher

- Where an accumulation of indirect costs will ultimately result in charges to a Federal award, an indirect cost allocation plan is required.
- Amounts not recoverable as indirect costs or administrative costs under one Federal award may not be shifted to another Federal award, unless specifically authorized by Federal legislation or regulation.

Accounting Refresher

- Indirect cost rate proposals are prepared annually and submitted to the cognizant Federal agency, an agency designated by OMB as responsible for reviewing, negotiating, and approving indirect cost rate. In the absence of a designated cognizant agency, the Federal funding source providing the most significant amount of funding will typically serve as the cognizant agency.

Accounting Refresher

- Program Income is revenue generated directly or indirectly from grant-supported activities.
 - Contract Revenue from purchase of service contracts.
 - Sale of maintenance services.
 - Advertising revenue.
 - Lease/rent of transit facility office space

Accounting Refresher

- Program Income generated from POS from an FTA program cannot be used as match for another FTA program
 - Section 5310 POS revenue cannot be used to match the Section 5311 grant

Accounting Refresher

- Grantees may retain program income so long as it is used only for transit purposes:
 - Planning
 - Capital
 - Operating Expenses
- Program Income, except for purchase of transportation service for program purpose, may not be used to reduce the local share of the grant from which it was earned but may be used in future grants.

Chart of Accounts

- The Uniform System of Accounts (USOA) is the basic reference document for the National Transit Database. It contains the accounting structure required by Federal Transit laws (previously Section 15 of the Federal Transit Act).
- GDOT must be able to reconcile the subrecipient chart of account to the USOA accounts.

Accounting Crosswalk

- Each subrecipient will be required to complete an accounting crosswalk. The crosswalk will tie the subrecipient chart of accounts to the USOA codes.
- The GDOT monthly invoice form requires subrecipients to report revenue and expense using the USOA codes.

Accounting Crosswalk

USOA ACCOUNT CODES - VEHICLE OPERATIONS		ACCOUNT CODE NUMBER IN TRANSIT SYSTEM GENERAL LEDGER	ACCCOUNT NAME IN TRANSIT SYSTEM GENERAL LEDGER
501 LABOR			
501	OPERATORS SALARIES AND WAGES	100-5540-51.1100.501.01	Driver regular pay
501	OPERATORS SALARIES AND WAGES	100.5540-51-1300.501.01.1	Driver overtime pay
501	OPERATORS SALARIES AND WAGES		
501	OPERATORS SALARIES AND WAGES		
501	OTHER SALARIES AND WAGES	100.5540-51-1100.501.02	Dispatcher regular pay
501	OTHER SALARIES AND WAGES	100-5540-51-1300.501.02.1	Dispatcher overtime pay
501	OTHER SALARIES AND WAGES		
501	OTHER SALARIES AND WAGES		
502 FRINGE BENEFITS			
502.2	FRINGE BENEFITS DISTRIBUTION	100-5540-51.2100	Group Health drivers and dispatchers
502.2	FRINGE BENEFITS DISTRIBUTION		FICA - Driver and Dispatchers
502.2	FRINGE BENEFITS DISTRIBUTION		

Accounting Crosswalk

LOCAL REVENUE		ACCOUNT CODE NUMBER IN SYSTEM GENERAL LEDGER	ACCOUNT NAME IN SYSTEM GENERAL LEDGER
Transportation Revenue			
401.01	Passenger Fares for Transit Service	100-0000-34.5510	Fares
401.01	Passenger Fares for Transit Service	100-0000-34.5510.01	Pass Sales
401.01	Passenger Fares for Transit Service	100-0000-34.5510.02	Token Sales
401.01	Passenger Fares for Transit Service		
402.00	Special Transit Fares (Contract Revenue)	100-0000-35.1184	Non FTA source POS contract revenue
402.00	Special Transit Fares (Contract Revenue FTA)	100-0000-38.1185	FTA Non eligible POS contract revenue
407.04	Investment Income		
413.00	Other Federal Cash Grants FTA	100-0000-33-1160	Section 5311 Reimbursement
499.00	Other Revenue		
499.00	Other Revenue		
499.00	Other Revenue		
Local Cash		ACCOUNT CODE NUMBER IN SYSTEM GENERAL LEDGER	ACCOUNT NAME IN SYSTEM GENERAL LEDGER
409	Local Cash	100-0000-38-1230	County General Fund Match Transfer
409	Local Cash		

The Invoice Process

- Allowable Revenues and Expenses
- SSR
- Detailed Monthly Expense and Revenue Worksheets
- Invoice Summary

Questions?

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